

Exhibit 12

NORTHSTAR AVIATION, LLC, *et al.*,
Plaintiffs/Counterclaim Defendants,
v.
ALDEN BURT ALBERTO,
a/k/a Reno Alberto,
Defendant/Counterclaim Plaintiff.

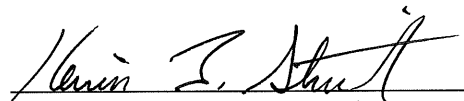
The plaintiffs, NorthStar Aviation L.L.C. (“NorthStar UAE”) and NorthStar Aviation USA LLC (“NorthStar USA,” and collectively with NorthStar UAE, “NorthStar”), by counsel, make the following disclosure of retained expert witness(es) and documents as provided under Rule 26(a)(2) of the Federal Rules of Civil Procedure and the Court’s Rule 16(b) Order (Dkt. 53).

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NorthStar reserves the right to supplement this Disclosure as provided under Rule 26(a)(2)(E) of the Federal Rules of Civil Procedure.

NORTHSTAR AVIATION L.L.C. and
NORTHSTAR AVIATION USA LLC

By: DUNLAP BENNETT & LUDWIG PLLC



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CERTIFICATE OF SERVICE

I hereby certify that on this, the 1st day of October, 2018, the original of the foregoing
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October 1, 2018

Dunlap Bennett & Ludwig, PLLC
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Attention: Kevin T. Streit, Esquire

RE: Northstar Aviation, LLC et al v. Alden Burt Alberto
Northstar Aviation, LLC - Plaintiff
Trial Date: January 0, 1900
Claim Number: 1:18cv-00191-TSEJFA
Robson, PC File Number: 1183027

Dear Mr. Streit:

As requested, I reviewed and analyzed the available, relevant records of NorthStar Aviation, LLC (also referred to as "NSA-UAE") and its subsidiary, NorthStar Aviation USA, LLC (also referred to as "NSA-USA") (the two entities are collectively referred to as "NorthStar"), in connection with breach of fiduciary duty, conversion and unjust enrichment alleged by NorthStar against its former Managing Director and Chief Executive Officer, Alden Burt Alberto ("Alberto"). My assignment was to evaluate the financial health of NorthStar during the time it was under Alberto's management and analyze withdrawals of funds by Alberto during that timeframe. This report summarizes my opinions reached during my engagement and details the basis for those opinions.

SUMMARY OF OPINIONS

My opinions are summarized in the bullet points that follow:

- During the five-plus years Alberto was NorthStar's CEO, the companies' financial health was generally poor, with net losses that exceeded net profits by more than \$51 million (Schedule 1).

- From its inception through December 31, 2014, the company's consolidated debts exceeded its assets in amounts that reached at least \$39 million (Schedule 5). During 2015, the company's shareholders returned the company to a solvent position by injecting approximately \$89 million in capital primarily in the form of a debt-to-equity conversion of loans and accounts that the company had owed to an affiliated company, Vulcan Management Consultancy, LLC.
- By the time Alberto left NorthStar in October 2017, the company's inventory had declined from \$57 million in 2013 to \$0.09 million in October 2017 (Schedule 5). During that same timeframe, the company's sales declined from \$100 million in 2014 to \$12 million in the first 9.8 months of 2017.
- Alberto compensated himself during the time he was Managing Member and CEO at a level that was unreasonably high and that excessive compensation contributed to NorthStar's reduced profitability, and sometimes unprofitability. Alberto's compensation as CEO of a small business was excessive generally, especially in relation to the poor operating results NorthStar experienced under his management. The excesses peaked in 2017 when, as a result of two bonuses totaling \$9,540,000 that Alberto gave himself in a period during which the company's sales only totaled \$11,777,691, it incurred a \$23,208,265 net loss. Including his bonus and salary, Alberto's compensation totaled 97% of the company's consolidated revenues and comprised nearly half of the company's net loss.

I reached my conclusions within a reasonable degree of accounting probability. I base my opinion upon my knowledge, skill, experience, training, education and personal observations as well as facts and data perceived by or made known to me, which facts and data are of the type reasonably relied upon by experts in my particular field in forming opinions or inferences. I am independent with respect to the plaintiffs, plaintiffs' counsel and all other parties to this litigation.

At the time this report is being written, I have just received a copy of NorthStar's 2017 audited financial statements with the audit report dated September 27, 2018. I performed a cursory review of these financial statements and noticed some discrepancies in certain reported amounts that could materially impact my findings if I relied on them without adequate clarification. I have asked counsel to present these discrepancies to NorthStar and request clarification, however with my expert report due October 1, 2018, I am reasonably certain sufficient clarification will not be received by that time. Accordingly, I have elected not to rely on these newly

provided financial statements at this time and reserve the right to amend my opinions once adequate clarification is received. Furthermore, it is my understanding that NorthStar may take the depositions of a number of witnesses who might provide information that impacts my opinions. Accordingly, I reserve the right to update my opinions for any additional information I receive prior to trial.

BASIS FOR OPINIONS

I formed my opinions based upon my review and analysis of the available books and records of NorthStar, deposition testimony of Alberto and independent research that I performed into operating results and compensation in the industries in which NorthStar does business. Exhibit A to this report details the information I was provided and considered in this engagement. In performing my analysis, I considered and, in many instances, relied on information as it appeared in NorthStar's financial statements and business records without performing audit procedures of my own. Accordingly, my findings are limited by the accuracy and reliability of that information. Some of the monetary information provided was stated in Arab Emirate Dirham (AED), the currency of the United Arab Emirates. I converted those amounts to US Dollars (USD) based upon per-period averages I computed from a chart of daily AED-to-USD exchange rates published on Tor Currency Exchange, Ltd.'s website: <https://www.currency-converter.org.uk/currency-rates/historical/table/AED-USD.html>.¹ I relied on the accuracy of these published exchange rates in performing my analysis.

My analysis of that information, which was the basis for my opinions, is detailed in the paragraphs that follow.

Financial Statement Analysis

I reviewed and analyzed the audited financial statements of NorthStar for 2012 – 2016, and the unaudited financial statements of NorthStar for January 1 – October 24, 2017 and NSA-USA 2012 – 2017. Because Alberto was CEO of both NSA-UAE and NSA-USA and the revenues, expenses, assets and debts of NSA-

¹ I compared the exchange rates published by Tor Currency Exchange to a five-year graph of exchange rates published on the website of ONADA corporation and, while the graph did not show specific daily rates, the Tor Currency-reported values were clearly within the range shown on the graph.

USA were consolidated into NorthStar's consolidated financial statements, I primarily focused my analysis on NorthStar's financial statements.

Schedule 1 summarizes NorthStar's annual revenue and net income (or net loss) during the time Alberto was CEO of the two entities. The graph included shows that the company incurred significant net losses in 2013 and 2017 with much smaller net profits in 2014, 2015 and 2016. Over the five years and five months Alberto was CEO, NorthStar's accumulated net losses were \$51,499,694. According to the amended complaint, in 2013 NSA-UAE entered into a contract with the United Arab Emirates Armed Forces (UAEAF) to sell UAEAF thirty (30) 407 MRH Lightning helicopters. The helicopters were to be delivered between 2014 and 2017. The decline in sales and profits from 2014 through 2017 appear to be related to the completion of the UAEAF contract and, as such, appear to have been something Alberto should have foreseen and prepared for. However, from the sharp decline in sales in 2017 it is apparent that Alberto did not ensure that NorthStar found new business to replace the UAEAF contract. And, the fact that the company's expenses were not proportionately reduced during 2017, indicates that Alberto did not take the necessary steps to reduce the company's costs and expenses in preparation for the foreseeable downturn occasioned by the UAEAF contract's completion. To the contrary, during 2017, while sales were dropping and operating losses were mounting, Alberto used NorthStar's funds to reward himself with \$9,450,000 in bonuses in addition to his contractual salary and also paid Senior Vice-president Terry Key a \$1,830,000 bonus, Chief Financial Officer Nrasib Ali Tahir a \$622,200 bonus and Chief Marketing Officer Hillary Holcomb a \$100,000 bonus. NorthStar's consolidated income statements and balance sheets are detailed on Schedules 4 and 5, respectively.

Analysis of CEO Compensation

Alberto's compensation package was described in his employment contract, which was originally executed May 31, 2012 and later amended March 1, 2014. His compensation consisted of a \$1,000,000 annual salary (\$750,000 from May 31, 2017 to February 28, 2014); allowances for car, housing and travel; and tax

assistance payments equal to 100% of the individual income taxes on his base salary and allowances. Pursuant to the agreement, the sum of his annual salary, allowances and tax equalization payments totaled \$1,540,000 in 2013 and \$2,139,684 thereafter. According to the agreement, "The Company may in its *absolute discretion* pay Executive a bonus of such amount, at such intervals, and subject to such conditions as the Company may in its *absolute discretion* determine from time to time." [Emphasis added.]

From 2013 through 2017, Alberto's annual compensation ranged from \$4,047,646 in 2015 to \$11,443,404 in 2017 (Schedule 2). During these years, the amount by which his total compensation exceeded the compensation stated in his employment agreement ranged from \$1,908,962 in 2015 to \$9,696,812 in 2017. The graph on Schedule 1 shows the relationship of Alberto's annual compensation to NorthStar's annual revenues and annual net income/(net losses). Contrary to good sense, Alberto's compensation was highest in the years with the lowest sales and greatest net losses. In fact during 2017, his compensation at \$11,443,404 equaled 97% of the company's revenue for the same period and comprised 49% of the net loss the company incurred during that time period (Schedule 3).

The fact that Alberto paid himself bonuses at all during the years the company lost money is arguably unreasonable. However, the degree to which he paid himself those bonuses strongly suggests that he placed his own interests above the interests of the company and its shareholders. During 2013, NorthStar lost \$32,378,496 (Schedules 1 and 4). During 2013, Alberto's compensation in excess of the contract amount was \$4,132,700 (Schedule 2). From January 1 through October 24, 2017, NorthStar lost \$23,208,265 (Schedules 1 & 4). During that same time, Alberto's compensation in excess of the contract amount totaled \$9,696,812.

The unreasonable and excessive magnitude of Alberto's compensation seems obvious on its face. Nevertheless, to get a sense of how his compensation relates proportionately to other small and large companies generally and in the defense industry in particular, I performed some research on CEO compensation.

In a May 2016 white paper published by the Economic Research Institute, Small Cap (capitalization) companies in the Russell 3000 Index were defined as companies with less than \$750 million in market capitalization (the share value multiplied by number of shares outstanding).² For perspective, NorthStar's contributed share capital ranged from \$40,875 in 2013 to \$80,996,092 in October 2017 and its total equity ranged from \$7,284,952 in 2012 to \$29,475,981 in 2017 (Schedule 5). In the ERI's study, NorthStar would compare to a very small Small-Cap company. The results of the study showed there was in the sample of 3,000 companies a positive relationship between company size and CEO compensation. Said differently, among publicly traded companies, bigger companies generally pay their CEOs more than smaller companies. According to the study, the 2015 total median CEO compensation was:

	<u>Market Capitalization (size)</u>	<u>Median CEO Compensation</u>
Small Cap	\$0 - \$750 million	\$2,442,804
Mid Cap	\$750 million - \$4 billion	4,295,052
Large Cap	Greater than \$4 billion	9,582,407

By comparison to companies in the Russell 3000, Alberto, with total compensation ranging from \$4,047,646 to \$11,443,404, paid himself as if he were the CEO of a \$750 million to over \$4 billion company.

I also researched the CEO compensation and operating results of 12 publicly traded defense industry companies that had aviation products as part of their business. I found the information in the proxy statements and 10-K filings the companies submitted to the Security & Exchange Commission (SEC). In terms of sales volume, the companies (during 2017) ranged in size from \$81 million to \$93 billion and operating income of \$-362 million to \$8.2 billion (Schedule 3). By comparison, NorthStar's sales were \$11.7 million and its operating income was a \$23 million operating loss in 2017. Alberto's compensation, however, at \$11.4 million, was greater than all but five of the twelve companies I considered. And even for years 2016 and 2015, Alberto's compensation was disproportionately high

² "Executive Compensation Index – May 2016", published by Economic Research Institute, https://downloads.eri.com/pdf/Executive_Compensation_Index_May_2016.pdf.

compared to other defense companies with much higher sales and operating income.

My review and consideration of the CEO compensation relationships in other companies was completely consistent with my opinion based on my analysis of NorthStar's records and my professional experience that Alberto's compensation was disproportionately high given the lackluster to poor operating results the company produced under his management.

In conducting my analysis, I reviewed NorthStar's bank accounts for 2012 – 2017. I identified a series of payments totaling \$3,174,684.79 to Alberto or that were unidentified bank branch withdrawals (Schedule 6). As yet I have not identified the purpose of these payments and reserve the right to amend my findings to include them, if supporting documentation is provided prior to trial.

Information About the Author of this Report:

This report was authored by Leslie W. Robson, CPA, CFA, CVA. Robson's curriculum vitae is attached as Exhibit B to this report. Exhibit C is a list of the matters in which Robson has given sworn testimony in the past four years. Exhibit D is a rate schedule that shows Robson's current billing rate along with the rates of other members of the firm who have worked on this matter or might work on it before trial.

I appreciate the opportunity to be of service and welcome any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Leslie W. Robson".

Leslie W. Robson
Certified Public Accountant

Enclosures

REPORT

October 1, 2018

NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff

Case Number:1:18cv-00191-TSEJFA

- Schedules -

INDEX OF SCHEDULES

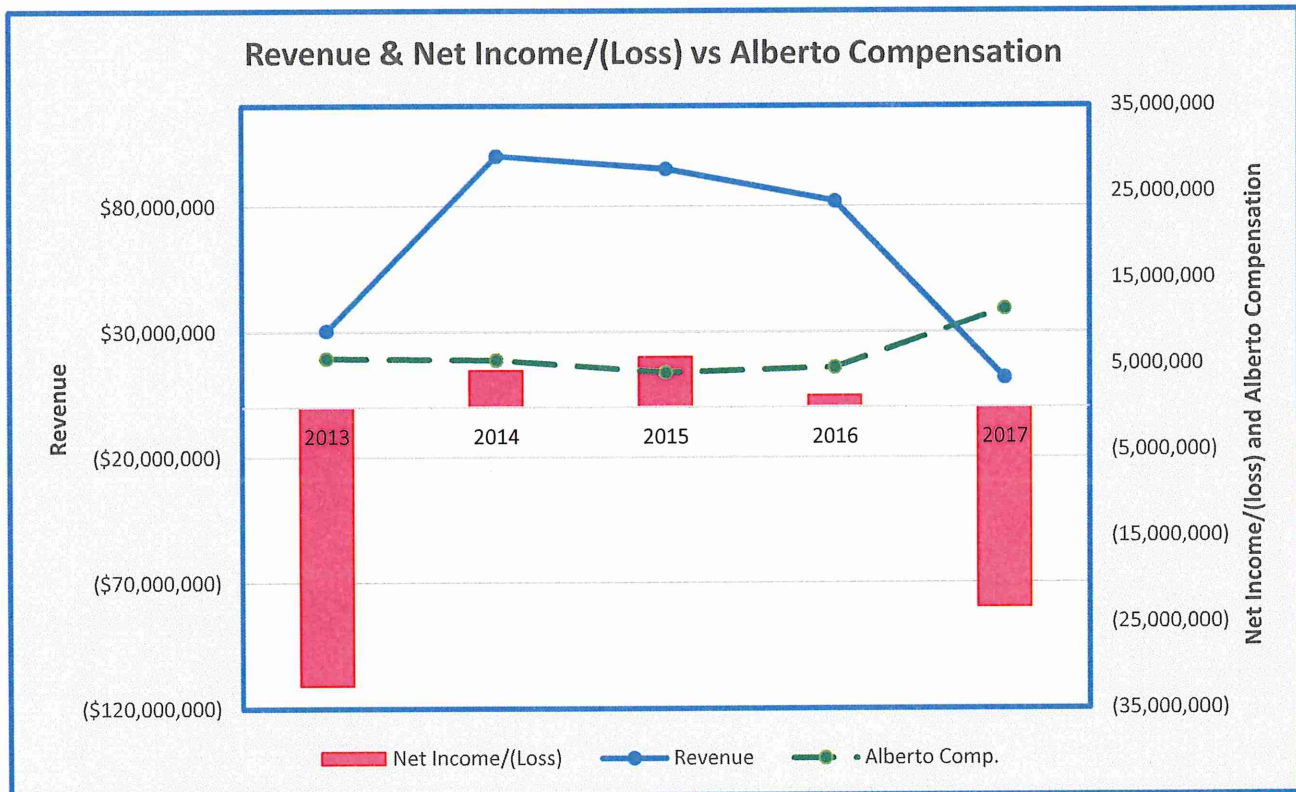
Schedule Number:	Description :
1.	Comparison of Sales & Net Income/(Loss) to CEO Compensation
2.	Analysis of Alden Alberto's Annual Compensation
3.	Comparison of A. Alberto's Compensation to Compensation of Defense Contractor CEOs
4.	Income Statements - NorthStar Aviation, LLC - UAE (in US Dollars)
5.	Balance Sheets - NorthStar Aviation, LLC - UAE (USD)
6.	Payments to A. Alberto and Branch Counter Withdrawals

Exhibits:

- A. Information Reviewed
- B. Curriculum Vitae - Leslie W. Robson, CPA, CVA, CFF
- C. List of Sworn Testimony
- D. Fee Schedule

NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff
Comparison of Sales & Net Income/(Loss) to CEO Compensation
Case Number: 1:18cv-00191-TSEJFA

Year	Revenue		%	Net Income/(Loss)		A. Alberto Compensation
	Annual	Mo. Avg		Annual	Mo. Avg	
				(\$7,325,825)		
2013	\$30,433,311	\$2,536,109		(32,378,496)	(\$2,698,208)	\$5,672,700
2014	100,094,395	8,341,200	228.90%	4,255,408	354,617	5,506,355
2015	94,915,689	7,909,641	-5.17%	5,829,315	485,776	4,047,646
2016	82,061,584	6,838,465	-13.54%	1,328,169	110,681	4,649,446
2017 Ja-Oc	11,777,691	1,201,805	-82.43%	(23,208,265)	(2,368,190)	11,443,404
				(\$51,499,694)		



NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff
Analysis of Alden Alberto's Annual Compensation
Case Number: 1:18cv-00191-TSEJFA

	5/31/2012 Agreement		3/1/2014 Agreement	
	2013	Jan-Feb 2014		
Base Salary	\$750,000 (1)	\$750,000 (1)	\$1,000,000	(1)
Bonus	Discretionary	Discretionary		
Tax assistance	550,000 (1)	550,000 (2)	873,000	(1)
Car allowance	40,000 (1)	40,000 (1)	39,996	(1)
Housing allowance	125,000 (1)	125,000 (1)		
Travel Allowance	75,000 (1)	75,000 (1)		
COLA Allowance	0	0	225,688	(1)
Total	\$1,540,000	\$1,540,000	\$2,138,684	

Year	W-2 Earnings		Earnings per Employment Contract		Earnings in Excess of Employment Contract	
	Sales	Amount	% of Sales	Amount	% of Sales	Amount
2013	\$30,433,311	\$5,672,700	18.64%	\$1,540,000	5.06%	\$4,132,700
2014	94,915,689	5,506,355	5.80%	2,038,903 (3)	2.15%	3,467,452
2015	94,915,689	4,047,646	4.26%	2,138,684	2.25%	1,908,962
2016	82,061,584	4,649,446	5.67%	2,138,684	2.61%	2,510,762
2017	11,777,691	11,443,404 (5)	97.16%	1,746,592 (4)	14.83%	9,696,812
	\$314,103,964	\$31,319,551	9.97%	\$9,602,863	3.06%	\$21,716,688
						6.91%

Footnotes:

- (1) As stated in the employment agreement.
- (2) Assumed the same as the "exceptional basis" amount payable 1/15/13.
- (3) Equals the sum of \$1,540,000 prorated to two months plus \$2,138,684 prorated to ten months.
- (4) Equals annual amount of \$2,139,684 prorated to 9.8 months.
- (5) We did not receive form W-2 for Mr. Alberto for 2017. Amount was based on the 2017 "Payroll Register" reports for Mr. Alberto.

NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff
Comparison of A. Alberto's Compensation to Compensation of Defense Contractor CEOs
Case Number: 1:18cv-00191-TSE/JFA

Company Name	CEO Name	2017			2016			2015		
		CEO Comp.	Sales	Oper. Income	CEO Comp.	Sales	Oper. Income	CEO Comp.	Sales	Oper. Income
NorthStar Aviation, LLC	A Alberto	\$11,443,404	\$11,777,691	(\$23,195,103)	\$4,649,446	\$82,061,584	\$1,099,281	\$4,047,646	\$94,915,689	\$1,727,737
Ranking		6th highest (5 higher/7 lower)	Lowest 12 higher/0 lower	2nd lowest 11 higher/1 lower	10th highest (10 higher/2 lower)	2nd Lowest 11 higher/1 lower	2nd Lowest 11 higher/1 lower	9th highest (8 higher/2 lower)	Lowest 10 higher/0 lower	2nd lowest 9 higher/1 lower
CPI Aerostructures, Inc.	D. McCrosson	\$943,363	\$81,283,148	\$10,196,322	\$709,201	\$81,329,858	(\$4,295,272)	\$5,412,924	\$1,775,125,000	\$60,438,000
Kaman Corp.	NJ Keating	2,683,641	1,805,909,000	49,826,000	5,743,581	1,808,376,000	58,854,000	3,411,324	2,002,793,000	127,895,000
Esterline Technologies Corp.	CC Reusser	4,243,849	2,002,195,000	124,698,000	4,113,681	1,992,631,000	116,951,000	4,051,995	1,188,648,000	229,556,000
Heico Corp	LA Mendelson	5,292,220	1,524,813,000	306,658,000	4,948,855	1,376,258,000	265,345,000	242,872	3,886,072,000	(1,091,106,000)
Triumph Group, Inc.	DJ Crowley	6,342,719	3,198,951,000	(362,406,000)	9,395,813	3,532,799,000	56,889,000	5,718,619	1,861,200,000	332,400,000
Hexcel Corp.	NL Starnage	7,016,766	1,973,300,000	350,600,000	6,681,602	2,004,300,000	360,100,000			
Spirit Aerosystems, Inc.	TC Gentile, III	9,907,398	6,983,000,000	569,100,000	6,174,754	6,792,900,000	725,100,000			
Textron, Inc.	SC Donnelly	14,825,330	14,198,000,000	306,000,000	12,672,171	13,783,000,000	843,000,000	12,392,028	13,423,000,000	698,000,000
United Technologies Corp.	GJ Hayes	15,759,799	59,837,000,000	4,920,000,000	13,448,390	57,244,000,000	5,436,000,000	10,547,063	56,098,000,000	4,356,000,000
Boeing Company	DA Muilenburg	18,450,416	93,392,000,000	8,197,000,000	15,066,290	94,571,000,000	4,895,000,000	13,226,333	96,114,000,000	5,176,000,000
Lockheed Martin	MA Hewson	20,179,452	43,875,000,000	5,921,000,000	19,422,118	40,365,000,000	5,549,000,000	20,163,169	34,868,000,000	4,712,000,000
General Dynamics Corp.	PN Novkovic	21,501,429	30,973,000,000	4,177,000,000	21,358,077	30,561,000,000	3,734,000,000	20,424,104	31,781,000,000	4,295,000,000

Company Name	CEO Name	2017		2016		2015	
		CEO Comp / Sales	Oper. Income	CEO Comp / Sales	Oper. Income	CEO Comp / Sales	Oper. Income
NorthStar Aviation, LLC	A Alberto	97.2%	-49.3%	5.7%	423.0%	4.3%	234.3%
CPI Aerostructures, Inc.	D. McCrosson	1.2%	9.3%	0.9%	-16.5%	0.3%	9.0%
Kaman Corp.	NJ Keating	0.1%	5.4%	0.3%	9.8%	0.3%	2.7%
Esterline Technologies Corp.	CC Reusser	0.2%	3.4%	0.2%	3.5%	0.2%	1.8%
Heico Corp	LA Mendelson	0.3%	1.7%	0.4%	1.9%	0.3%	0.0%
Triumph Group, Inc.	DJ Crowley	0.2%	-1.8%	0.3%	16.5%	0.0%	1.7%
Hexcel Corp.	NL Starnage	0.4%	2.0%	0.3%	1.9%	0.3%	1.8%
Spirit Aerosystems, Inc.	TC Gentile, III	0.1%	1.7%	0.1%	0.9%	0.1%	0.2%
Textron, Inc.	SC Donnelly	0.1%	4.8%	0.1%	1.5%	0.0%	0.3%
United Technologies Corp.	GJ Hayes	0.0%	0.3%	0.0%	0.2%	0.0%	0.4%
Boeing Company	DA Muilenburg	0.0%	0.2%	0.0%	0.3%	0.1%	0.5%
Lockheed Martin	MA Hewson	0.0%	0.3%	0.0%	0.4%	0.1%	
General Dynamics Corp.	PN Novkovic	0.1%	0.5%	0.1%	0.6%	0.1%	

ROBSON, PC

Forensic Accountants/Business Valuation Analysts

10/1/2018

NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff
Income Statements - NorthStar Aviation, LLC - UAE (in US Dollars)
Case Number: 1:18cv-00194-TSEJFA

Account Classification/Name	For the Year Ended December 31, 2012		For the Year Ended December 31, 2013		For the Year Ended December 31, 2014		For the Year Ended December 31, 2015		For the Year Ended December 31, 2016		9.77 Months Ended October 24, 2017	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Revenue	(1)		(1)		(1)		(1)		(1)		(1)	
Sale of helicopters	\$30,433,311	100.00%	\$73,948,917	73.88%	\$66,553,893	70.12%	\$73,948,918	90.11%	\$7,394,868	62.79%	\$7,394,868	62.79%
Sale of spare parts	-	-	24,049,750	24.03%	26,193,011	27.60%	4,031,040	4.79%	1,021,022	8.67%	1,021,022	8.67%
Sales of rendered services	-	-	2,095,728	2.09%	2,168,785	2.28%	4,183,958	5.10%	3,361,801	28.54%	3,361,801	28.54%
Total sales	<u>30,433,311</u>	<u>100.00%</u>	<u>100,094,395</u>	<u>100.00%</u>	<u>94,915,689</u>	<u>100.00%</u>	<u>82,061,584</u>	<u>100.00%</u>	<u>11,777,691</u>	<u>100.00%</u>	<u>11,777,691</u>	<u>100.00%</u>
Cost of Sales												
Cost of inventories sold	29,748,334	97.75% (2)	63,219,230	64.51% (2)	67,282,892	72.54% (2)	58,397,340	74.99% (2)	6,741,932	80.11% (2)	6,741,932	80.11% (2)
Rebates received from supplier	-	-	-	0.00%	-	0.00%	-	0.00%	-	-	(210,015)	-2.84% (2)
Impairment loss on inventories	-	-	-	-	-	-	-	-	-	-	-	-
Subcontractor costs	3,437,800	11.30% (2)	5,031,401	5.03%	3,273,896	3.45%	3,712,755	4.52%	1,973,266	16.75%	1,973,266	16.75%
Staff costs	-	-	4,036,439	4.03%	4,093,655	4.31%	4,341,040	5.29%	3,334,174	28.31%	3,334,174	28.31%
Warranty expense	-	-	2,666,870	2.66%	2,400,178	2.53%	-	0.00%	-	0.00%	-	0.00%
Gain on reversal of warranty provision	-	-	-	-	-	-	(2,418,087)	-2.95%	-	-	(1,153,562)	-9.79%
Amortization of intangible asset	2,060,536	6.77%	2,589,902	2.59%	1,297,883	1.37%	1,291,368	1.57%	1,043,958	8.86%	1,043,958	8.86%
Freight, storage & handling costs	-	-	1,391,777	1.39%	872,517	0.92%	432,918	0.53%	279,471	2.37%	279,471	2.37%
Penalties	-	-	1,107,572	1.11%	194,862	0.21%	291,379	0.36%	580,550	4.93%	580,550	4.93%
Rent expense	-	-	762,244	0.76%	710,771	0.75%	888,394	1.08%	776,249	6.59%	776,249	6.59%
Insurance	-	-	639,107	0.64%	469,261	0.49%	394,938	0.48%	206,349	1.75%	206,349	1.75%
Consultancy, legal & professional fees	-	-	510,460	0.51%	456,701	0.48%	401,454	0.49%	223,583	1.90%	223,583	1.90%
Supplies & other consumables	-	-	223,279	0.22%	104,336	0.11%	68,327	0.08%	8,214	0.07%	8,214	0.07%
Bank charges	-	-	178,670	0.18%	241,823	0.25%	320,684	0.39%	141,608	1.20%	141,608	1.20%
Travel	-	-	172,495	0.17%	95,582	0.10%	122,151	0.15%	19,186	0.16%	19,186	0.16%
Depreciation of property & equipment	-	-	115,591	0.12%	150,315	0.16%	168,298	0.21%	77,380	0.66%	77,380	0.66%
Other costs	<u>96,869</u>	<u>0.32%</u>	<u>141,829</u>	<u>0.14%</u>	<u>122,060</u>	<u>0.13%</u>	<u>116,978</u>	<u>0.14%</u>	<u>173,575</u>	<u>1.47%</u>	<u>173,575</u>	<u>1.47%</u>
Total Cost of Sales	<u>35,343,539</u>	<u>116.13%</u>	<u>82,786,866</u>	<u>82.71%</u>	<u>81,766,732</u>	<u>86.15%</u>	<u>68,529,937</u>	<u>83.51%</u>	<u>14,215,918</u>	<u>120.70%</u>	<u>14,215,918</u>	<u>120.70%</u>
Gross Profit/(Loss)	<u>(4,910,228)</u>	<u>-16.13%</u>	<u>17,307,529</u>	<u>17.29%</u>	<u>13,148,957</u>	<u>13.85%</u>	<u>13,531,647</u>	<u>16.49%</u>	<u>(2,438,227)</u>	<u>-20.70%</u>	<u>(2,438,227)</u>	<u>-20.70%</u>
Operating Expenses												
General & Administrative	\$82,557 (3)	18.64%	5,506,355 (3)	5.50% (3)	4,047,646	4.26% (3)	4,649,446 (3)	5.67%	11,443,404 (3)	97.16%	11,443,404 (3)	97.16%
Staff cost - A. Alberto	3,192,330 (3)	21.76%	4,535,992 (3)	4.53% (3)	4,907,558	5.17% (3)	5,279,932 (3)	6.43%	5,012,552 (3)	42.55%	5,012,552 (3)	42.55%
Staff cost - other	-	-	-	-	-	-	-	-	1,825,534	15.50%	1,825,534	15.50%
Loss on receivable from A. Alberto	-	-	-	-	-	-	-	-	77,279	0.66%	77,279	0.66%
Bad debts	975,293	19.97%	346,939	0.35%	253,407	0.27%	280,871	0.34%	199,717	1.70%	199,717	1.70%
Consultancy, legal & professional	1,814,486	6.23%	180,306	0.18%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Service fees	74,047	5.53%	189,244	0.19%	193,460	0.20%	182,166	0.22%	139,501	1.18%	139,501	1.18%
Rental	35,496	1.51%	32,554	0.03%	24,606	0.03%	29,789	0.04%	14,826	0.12%	14,826	0.12%
Insurance	343,542	1.49%	265,300	0.27%	348,735	0.37%	407,677	0.50%	337,977	2.87%	337,977	2.87%
Travel expenses	26,090	0.35%	62,289	0.06%	40,354	0.04%	30,907	0.04%	24,966	0.21%	24,966	0.21%
Depreciation	-	-	-	-	-	0.00%	18,456	0.02%	43,807	0.37%	43,807	0.37%
Amortization of intangible asset	91,027	0.59%	176,065	0.18%	419,005	0.44%	440,071	0.54%	224,943	1.91%	224,943	1.91%
Other Expenses	6,639,868	76.12%	11,295,044	11.28%	10,234,771	10.78%	11,319,315	13.79%	19,344,306	164.25%	19,344,306	164.25%
Selling Expenses	-	-	1,037,534	0.61%	1,186,449	1.25%	1,113,051	1.36%	1,412,570	11.99%	1,412,570	11.99%
	<u>6,639,868</u>	<u>79.52%</u>	<u>11,909,006</u>	<u>11.90%</u>	<u>11,421,220</u>	<u>12.03%</u>	<u>12,432,366</u>	<u>15.15%</u>	<u>20,756,876</u>	<u>176.24%</u>	<u>20,756,876</u>	<u>176.24%</u>
Operating Income/(Loss)	<u>(6,639,868)</u>	<u>-95.66%</u>	<u>5,398,523</u>	<u>5.39%</u>	<u>1,727,737</u>	<u>1.82%</u>	<u>1,099,281</u>	<u>1.34%</u>	<u>(23,195,103)</u>	<u>-196.94%</u>	<u>(23,195,103)</u>	<u>-196.94%</u>

NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff
Income Statements - NorthStar Aviation, LLC - UAE (in US Dollars)
Case Number: 1:18cv-00191-TSE/JFA

Account Classification/Name	For the Year Ended December 31, 2012		For the Year Ended December 31, 2013		For the Year Ended December 31, 2014		For the Year Ended December 31, 2015		For the Year Ended December 31, 2016		9.77 Months Ended October 24, 2017	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(1)		(1)		(1)		(1)		(1)		(1)	
Other Income & Expenses												
Other Income/(Expense)												
Gain on disposal of property & equipment					31,314	0.03%	-	0.00%	-	0.00%	-	0.00%
Loss on write-off of property & equipment					(4,075)	0.00%	3,892,129	4.10%	-	0.00%	(144,536)	-1.23%
Gain on write-off of amount due to related party					27,239	0.03%	(4,361)	0.00%	(7,118)	-0.01%	(10,020)	-0.09%
Other expenses							3,887,768	4.10%	(7,118)	-0.01%	(154,556)	-1.31%
Finance costs												
Interest income on fixed deposits			4,120	0.01%			213,810	0.23%	236,006	0.29%	141,394	1.20%
Interest charged by related party			77,579	0.25%	301,048	-1.47%	-	0.00%	-	0.00%	-	0.00%
Bank charges			(1,866,146)	-6.13%	(1,471,402)	0.00%	-	0.00%	-	0.00%	-	0.00%
Total finance costs			(1,481,867)	-4.87%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Other Income/(Expense)	(685,957)	#DIV/0!	(3,270,434)	-10.75%	(1,170,354)	-1.17%	213,810	0.23%	236,006	0.29%	141,394	1.20%
	(685,957)	#DIV/0!	(3,266,314)	-10.73%	(1,143,115)	-1.14%	4,101,578	4.32%	228,888	0.28%	(13,162)	-0.11%
Net Income/(Loss)	(\$7,325,825)	#DIV/0!	(\$32,378,496)	-106.39%	\$4,255,408	4.25%	\$5,829,315	6.14%	\$1,328,169	1.62%	(\$23,208,265)	-197.05%
Cash Flow	(\$7,299,735)		(\$30,199,971)		\$7,023,190		\$7,317,867		\$2,837,198		(\$22,018,154)	

Footnotes:

(1) All dollar amounts are based upon the amounts reported in NorthStar Aviation, LLC's (UAE) consolidated financial statements, which were stated in AED (Emirati dirham) and converted to U.S. dollars based upon each year's (or period's) average of the daily conversion rates published at: <https://www.currency-converter.org.uk/currency-rates/historical/table/AED-USD.html>

(2) As percent of product sales.

(3) We assumed A. Alberto's compensation was included in staff costs. For presentation purposes, we listed Mr. Alberto's compensation separately based on his W-2 wages/payroll registers and deducted all other staff costs by subtracting Mr. Alberto's compensation from total staff costs.

NorthStar Aviation, LLC et al v. Alden Burt Alberto

NorthStar Aviation, LLC - Plaintiff

Balance Sheets - NorthStar Aviation, LLC - UAE (USD)

Case Number: 1:18cv-00191-TSEJFA

Account Classification/Name	December 31 2012	December 31 2013	December 31 2014	December 31 2015	December 31 2016	October 24 2017
	(1)	(1)	(1)	(1)	(1)	(1)
Assets						
Current Assets						
Cash & bank balances	\$7,297,664	\$57,867,659	\$41,775,953	\$42,835,490	\$32,779,843	\$17,909,972
Other receivables	105,459	143,955	24,786,413	16,871,919	18,529,384	8,914,630
Inventories	33,172,535	57,285,351	42,346,445	22,857,704	5,528,545	92,555
Due from related parties	1,542,823	40,875	40,875	0	0	0
Prepayments & other current assets	16,250,050	17,795,237	19,793,252	12,759,037	2,543,054	729,845
Total Current Assets	<u>58,368,531</u>	<u>133,133,077</u>	<u>128,742,938</u>	<u>95,324,150</u>	<u>59,380,826</u>	<u>27,647,002</u>
Property & equipment						
Property & equipment	435,388	569,397	4,474,006	5,349,074	5,429,329	5,568,094
Accumulated depreciation	22,305	123,663	438,947	850,490	1,289,478	1,628,276
Net Property & Equipment	<u>413,083</u>	<u>445,734</u>	<u>4,035,059</u>	<u>4,498,584</u>	<u>4,139,851</u>	<u>3,939,818</u>
Other Assets						
Intangible - software	0	42,680	42,680	68,840	230,896	230,895
Intangible - prototype	1,624,232	10,006,301	10,006,321	10,006,301	10,006,321	10,006,289
Total intangible assets	1,624,232	10,048,981	10,049,001	10,075,141	10,237,217	10,237,184
Accumulated amortization	0	2,072,273	4,662,179	5,960,052	7,269,889	8,357,630
Net intangible assets	1,624,232	7,976,708	5,386,822	4,115,089	2,967,328	1,879,554
Restricted cash	0	195,088	470,531	0	0	0
Total Other Assets	<u>1,624,232</u>	<u>8,171,796</u>	<u>5,857,353</u>	<u>4,115,089</u>	<u>2,967,328</u>	<u>1,879,554</u>
Total Assets	<u>\$60,405,846</u>	<u>\$141,750,607</u>	<u>\$138,635,350</u>	<u>\$103,937,823</u>	<u>\$66,488,005</u>	<u>\$33,466,374</u>
Liabilities & Equity						
Current Liabilities						
Trade payables	737,116	1,035,232	1,404,431	1,243,335	715,264	356,713
Interest payable	685,957	2,552,103	4,023,511	0	0	0
Employee-related accruals	62,727	110,372	197,443	239,479	74,551	194,201
Advances received from customers	0	96,191,312	78,160,783	38,378,281	3,626,761	476,145
Other accrued expenses	60,394	1,320,965	10,007,023	2,499,683	1,353,261	1,418,685
Apparent math error in financial statement	0	79,074	0	0	0	0

CONFIDENTIAL

PRELIMINARY

NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff
Balance Sheets - NorthStar Aviation, LLC - UAE (USD)
Case Number: 1:18cv-00191-TSE/JFA

Account Classification/Name	December 31 2012	December 31 2013	December 31 2014	December 31 2015	December 31 2016	October 24 2017
	(1)	(1)	(1)	(1)	(1)	(1)
Provision for warranty claims	0	0	2,666,870	5,067,043	2,648,966	1,136,886
Loan from Vulcan Mgmt Consultancy	64,181,432	76,144,928	76,224,398	0	0	0
Due from related parties - Vulcan Mgmt	1,814,487	3,711,823	3,892,137	0	0	0
Total Current Liabilities	<u>67,542,113</u>	<u>181,145,809</u>	<u>176,576,596</u>	<u>47,427,821</u>	<u>8,418,803</u>	<u>3,582,630</u>
Long-term Liabilities						
Provision for employee's E-o-S benefits	148,685	268,251	467,100	705,314	757,852	407,763
Total Long-term Liabilities	<u>148,685</u>	<u>268,251</u>	<u>467,100</u>	<u>705,314</u>	<u>757,852</u>	<u>407,763</u>
Total Liabilities	<u>67,690,798</u>	<u>181,414,060</u>	<u>177,043,696</u>	<u>48,133,135</u>	<u>9,176,655</u>	<u>3,990,393</u>
Equity						
Share capital	40,875	40,875	40,875	40,875	40,875	40,875
Additional shareholder contribution (Vulcan	0	0	0	89,383,710	89,475,677	80,934,779
Statutory reserve	0	0	20,437	20,437	20,437	20,437
Shareholder's account (advance to S/H)	0	0	(3,000,225)	(4,000,292)	(4,000,300)	0
Accumulated profit/(Loss)	0	(7,325,829)	(39,704,407)	(35,469,362)	(29,640,104)	(28,225,248)
Beginning balance	(1)	(1)	0	2	0	(86,599) (2)
Apparent prior-period adjustment	(7,325,826)	(32,378,498)	4,255,411	5,829,318	1,414,765	(23,208,263)
Current year net income/(loss)	0	0	(20,437)	0	0	0
Distributions	(7,325,827)	(39,704,328)	(35,469,433)	(29,640,042)	(28,225,339)	(51,520,110)
Ending balance	<u>(7,284,952)</u>	<u>(39,663,453)</u>	<u>(38,408,346)</u>	<u>55,804,688</u>	<u>57,311,350</u>	<u>29,475,981</u>
Total Equity	<u>\$60,405,846</u>	<u>\$141,750,607</u>	<u>\$138,635,350</u>	<u>\$103,937,823</u>	<u>\$66,488,005</u>	<u>\$33,466,374</u>
Total Liabilities & Equity						

Footnotes:

- (1) All dollar amounts are based upon the amounts reported in NorthStar Aviation, LLC's (UAE) consolidated financial statements, which were stated in AED (Emirati dirham) and converted to U.S. Dollars based upon each year's (or period's) average daily conversion rates published at: <https://www.currency-converter.org.uk/currency-rates/historical/table/AED-USD.html>.
- (2) It is apparent from the beginning balance shown in the 2017 Consolidated Statement of Changes in Equity that an adjustment was made to retained earnings between December 31, 2016 and October 24, 2017.

NorthStar Aviation, LLC et al v. Alden Burt Alberto
NorthStar Aviation, LLC - Plaintiff
Payments to A. Alberto and Branch Counter Withdrawals
Case Number: 1:18cv-00191-TSE/JFA

Date	Drawn On	Notation on Bank Stmt	Journal Voucher Explanation	Amount	Alden/Reno Alberto	Branch Withdrawal
10/15/13	Wells #**9272	Withdrawal - branch		\$1,227,390.07		\$1,227,390.07
08/12/16	Wells #**9272	Withdrawal - branch	Contractor payment (Alexa H.)	2,000.00		2,000.00
09/02/16	Wells #**9272	Withdrawal - branch		4,825.00		4,825.00
10/06/16	Wells #**9272	Withdrawal - branch		3,750.00		3,750.00
11/22/16	Wells #**9272	Withdrawal - branch		3,800.00		3,800.00
06/02/17	Wells #**9272	Reno Alberto		4,165.00	\$4,165.00	
07/05/17	Wells #**9272	Reno Alberto		3,465.00	3,465.00	
08/02/17	Wells #**9272	Reno Alberto		3,514.00	3,514.00	
10/19/17	Wells #**9272	Online transfer to A. Alberto		550,000.00	550,000.00	
10/24/17	Wells #**9272	Withdrawal - branch		1,057,500.00		1,057,500.00
10/26/17	Wells #**9272	Online transfer to A. Alberto		42,574.77	42,574.77	
10/31/17	Wells #**9272	Withdrawal - branch		19,300.95	19,300.95	
3/24/2016	E-NBD #9602	Alden Alberto		81,400.00	81,400.00	
12/22/2016	Mash #*5649	Alden Alberto		171,000.00	171,000.00	-
		Totals		\$3,174,684.79	\$875,419.72	\$2,299,265.07

NorthStar Aviation, LLC et al v. Alden Burt Alberto

NorthStar Aviation, LLC - Plaintiff

Documents Reviewed

Case Number: 1:18cv-00191-TSEJFA

1. Copy of amended complaint with exhibits and Order on motion to dismiss complaint.
2. Transcript of August 30, 2018 deposition of Alden Burt Alberto.
3. Income tax returns of NorthStar Aviation USA, LLC for 2012 - 2016.
4. Consolidated financial statements of NorthStar Aviation, LLC for 2012 - period ended October 24, 2017.
5. Financial statements of NorthStar Aviation USA, LLC for 2012 - 2017.
6. NorthStar letter to Deloitte & Touche confirming certain points.
7. Projected cash flow statement for NorthStar Aviation, LLC for July 2017 - March 2019.
8. Documents produced by the defendant including bonus summaries for 2014 & 2016, various financial spreadsheets, a Facts and Solutions presentation, a present and proposed compensation worksheet for Mr. Alberto, payroll tax returns and worksheets for third-quarter 2017, and a Sept 2017 bank statement for Wells Fargo account ***9272.
9. Salary slips for Nrasin Ali Tahir 2012 - August 2018 and Terry Key for 2012 - October 2017.
10. Form W-2 for Terry Key for 2017.
11. Bank statements for Vulcan Aviation, LLC's Wells Fargo Bank account #***4872 for October 2017 - July 2018.
12. VISA credit card statements for Vulcan Aviation, LLC's card # ***5828 for April & May 2018.
13. Bank statements for NorthStar Aviation, LLC's accounts # ***1001, 0001, 9604, 9603, 9602 and 9601 for January 2014 - June 2017 from ADCB Bank and Emirates NBD Banks.
14. Bank statements from NorthStar Aviation USA, LLC's Wells Fargo account # ***9272 for Jul 2012 - Aug 2017 & Oct 2017.
15. Bank statement from NorthStar Aviation USA, LLC's Wells Fargo account # ***8308 for October 2017.
16. Bank statements from NorthStar Aviation USA, LLC's SunTrust account # ***3773 for November-December 2017.
17. Bank statements from NorthStar Aviation USA, LLC's SunTrust account # ***3781 for November-December 2017.
18. A term loan agreement dated May 22, 2012 between Vulcan Management Consultancy, LLC and NorthStar Aviation, LLC.
19. NorthStar Aviation, LLC board resolutions dated December 15, 2015 and December 31, 2016.
20. Periodic "Present" and "Proposed" compensation sheets for Reno Alberto for Dec 2012 - Dec 2015.
21. Pay stubs for Alden Alberto for November 2012 and October 13, 2017.
22. Funds transfer documents for funds transferred to Alden Alberto.
23. Forms W-2 for Alden Alberto and Terry Key for 2012 - 2017 and 2017 for Hillary Holcomb.
24. VISA Credit card statement for NorthStar Aviation - Alden Alberto for November 2017.
25. NorthStar Aviation Journal Vouchers and supporting detail for March 2016 - June 2017.
26. NorthStar Aviation USA, LLC debit card journal vouchers with some supporting detail for November 2015 - May 2017.
27. NorthStar expense reports for Reno Alberto for June 2012 - October 2017.
28. A list of Publicly Traded Aerospace & Defense Stocks - US Exchanges published by InvestSnips at <http://investsnips.com/complete-list-of-aerospace-defense-companies-listed-on-u-s-exchanges/>
29. Summary tables of executive compensation from the 2017 proxy statements and summaries of selected financial data from the 2017 10-K SEC filings of: The Boeing Company; CPI Aerostructures, Inc.; Esterline Technologies Corp.; General Dynamics Corp.; Heico Corp.; Hexcel Corp.; Kaman Corp.; Lockheed Martin Corp.; Textron, Inc.; Triumph Group, Inc.; and United Technologies Corp.
30. "Executive Compensation Index - May 2016" (a white paper) published by the Economic Research Institute at https://downloads.eri.com/pdf/Executive_Compensation_Index_May_2016.pdf
31. "A Guide to CEO Compensation" by Ben McClure, update May 28, 2018- 8:30 pm EDT, <https://www.investopedia.com/managing-wealth/guide-ceo-compensation/>
32. IRS Publication 535 (2017), Business Expenses.
33. "The Relationship Between Company Size and CEO Pay", by Kevin F. Hallock; published in WorkSpan magazine, Feb., 2011.
34. Annual Statement Studies - Financial Ratio Benchmarks - 2016-2017, published by The Risk Management Association; p. 55, p. 60, pp. 924-925 Retail - Motorcycle, ATV and All Other Motor Vehicle Dealers, pp.715-716 Manufacturing - Aircraft Manufacturing, and pp. 718-719 Manufacturing - Other Aircraft Parts and Auxiliary Equipment Manufacturing.
35. Tor Currency Exchange, Ltd. table of daily exchange rates - AED to USD - from June 10, 2009 to Sep 23, 2018 <https://www.currency-converter.org.uk/currency-rates/historical/table/AED-USD.html>
36. OANDA 5-year graph of AED to USD exchange rates from 2014 - September 2018, www.OANDA.com.

LESLIE W. ROBSON, CPA, CVA, CFF

CURRICULUM VITAE

TITLE & LICENSURE

President of the Richmond, Virginia forensic accounting firm - Robson, PC
Licensed Certified Public Accountant
Certified Valuation Analyst – certified by the National Association of Certified Valuers and Analysts.
Certified in Financial Forensics – certified by the American Institute of Certified Public Accountants

EDUCATION

A.S. in Business Administration from J. S. Reynolds Community College, 1976.
B.S. in Accounting from Virginia Commonwealth University, 1978.

PROFESSIONAL ASSOCIATIONS

- American Institute of Certified Public Accountants
- Virginia Society of Certified Public Accountants
- National Association of Certified Valuation Analysts

PROFESSIONAL EXPERIENCE AND EXPERTISE

Forty years of diversified accounting experience in auditing, financial analysis and forensic accounting acquired in public practice and private consulting.

Substantial experience in the preparation, review and giving of expert testimony in insurance loss claims in which accounting expertise applies, such as:

Economic Damages Due to Disputes over Property Damage, Personal Injury, Wrongful Death, Breach of Contract, and Trademark Infringement, Defamation of Character and Wrongful Prosecution:

Lost Profits	Lost Value of Business Interest
Business Interruption	Valuation of Inventory
Extra Expenses	Employee Defalcation
Lost Wages/Curtailed Consumption	

Financial Condition Evaluation in Arson & Fraud Cases
Workers Compensation Wage Claims

Testified as an expert witness in state and federal jurisdictions in valuation, fraud and arson issues. Testified before Virginia Industrial Commission and Maryland Workers' Compensation Commission in Workers' Compensation issues.

Served as appraiser under property insurance contracts.

BUSINESS EXPOSURE

Diversified business experience in numerous public and privately owned companies in various industries. A sample of assignments include:

- Analyzed and evaluated claim for lost profits by a newly formed recreational vehicle park that was delayed in opening due to late delivery of architectural and engineering plans. Researched detail of purportedly comparative lot sales at other recreational vehicle parks cited by the plaintiff in its damages calculation. Demonstrated that the plaintiff's damages claim was based on transactions that were not comparable either as to market conditions, lot size, location or park amenities. Case resolved when the plaintiff nonsuited.
- Analyzed claimed lost business value and lost profits of a Pennsylvania poultry hatchery in a promissory estoppel dispute that allegedly resulted in the failure of the hatchery business. Evaluated value and lost profits calculations of opposing expert and testified at trial.
- Analyzed financial condition of a North Carolina farm equipment retailer. Detected material amounts of unrecorded liabilities and lost dealerships that resulted in large net losses and negative cash flow. Testified at trial regarding financial condition and material misstatements in submission of the insurance claims. The court ruled in favor of insurer, affirming its assertion of breach of contract due to arson & material misstatement.
- Analyzed repair costs and economic losses sustained by a Virginia university. The claimed damages in this third party claim exceeded \$25,000,000 and included emergency measures to stabilize the buildings, costs to repair and rebuild, lost contents, and time element losses. Supported client in negotiations through mediation.
- Analyzed and testified concerning the inventory theft loss of a Virginia computer distributor. Discovered during investigation that nearly all of the claimed inventory had been shipped to an overseas customer the day before the alleged theft. Proved to the court through documentary evidence presented at trial that the plaintiff's explanation of the shipment was false and misleading.
- Analyzed and projected the loss of earnings sustained by a used book retailer with sales from both physical store locations and internet. The dispute arose due to a collapse that impacted only the internet division of the business. Testified as an expert witness called by the defense. Demonstrated at trial that one-third of the claimed sales loss was the result of an unrelated economic decline at the physical stores. Demonstrated at trial that 58% of claimed extra labor was unsupported. Court ruled for defendant.

- Analyzed financial condition and calculated loss of business income at numerous businesses in Virginia, North Carolina, Maryland, District of Columbia, Pennsylvania and Florida. In some of these cases, testified in federal court and in Virginia, North Carolina, Pennsylvania and Maryland state courts.
- Analyzed the lost income claims of various individuals injured or killed in automobile accidents. Advised and assisted attorney in reaching negotiated settlements and, in some cases, testified at trial.
- Performed business valuation of a Virginia answering service company in a divorce and analyzed and evaluated the value calculation of opposing expert.

SEMINARS & PRESENTATIONS

Presentations at seminars, workshops and meetings before insurance companies, claims organizations, and the Virginia State Police on such topics as forensic accounting, financial investigation, business interruption, inventory losses, employee dishonesty and evaluating the validity of financial records.

Presentation at continuing legal education seminar – *Business Valuation, What the Litigator Should Know* for Hanover County Bar Association - October 2008 , Hampton Bar Association - April 2009 and Chesterfield County Bar Association – February 2011.

Presenter at Fall 2011 meeting of the Virginia Association of Defense Attorneys – *Non-medical Economic Damages*.

Presenter at Fall 2013 meeting of the Virginia Association of Defense Attorneys – *Lost Profits – An Element of Litigation Damages in Tort and Contract Disputes*.

ARTICLES WRITTEN

“Business Income” (a four-part) series of articles.

Part 1 – An Overview, *The Claimsman*, Summer 1998.

Part 2 – Causation, *The Claimsman*, Fall 1998.

Part 3 – Time Element Component, *The Claimsman*, Winter 1998.

Part 4 – Accounting Concepts, *The Claimsman*, Spring 1999.

“Workers Comp – The Chase (Paper Chase) is On”, *The Claimsman*, Fall 2010.

“Verifying Business Claims for Theft of Cash”, *The Claimsman*, Spring 2015.

Leslie W. Robson, CPA, CVA, CFF							
Sworn Testimony Given - Last Four Years							
Deposition Date	Trial Date	Style of Case	Venue	Testified on Behalf of	Nature of Case	Status	Restrictions
	6/26/2017	Daniels Tire & Welding v. Auto Owners Insurance Co.	Williamsburg/James City County Circuit Court	Auto Owners Insurance	Breach of Contract	Judgment entered.	
6/20/2016	7/20/2016	Jerrold Ruck. Et al v. Carol Rose, et al	Henrico County Circuit Court	Jerrold Ruck	Breach of Fid./Constructive Fraud	Judgment entered.	
N/A	6/13/2014	KJG231, LLC v. HALCO, LLC, Haley Builders, Inc. & Gregory Haley	Hanover County, VA Circuit Court	KJG231, LLC	Pierce corporate shield.	Judgment entered.	
N/A	6/5/2014	Petersburg Regency, LLC v. Selective Way Insurance Co.	Bergen County, NJ Superior Court	Selective Way Ins.	Lost Profits.	Judgment entered.	

Robson, P.C.

*Forensic Accountants
Business Valuation Analysts*

Fee & Expense Schedule

September 1, 2017

All services are billed on a time and expense basis.

Fees:

Shareholder	\$260.00
Staff Accountant	\$160.00-185.00
Paraprofessional	85.00
Clerical	35.00

Expenses:

Auto Mileage	\$.535/mile
Other Direct Expenses	Actual Amount Incurred

All fees and expense rates are subject to revision from time to time.

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